

**Department of Legislative Services**  
Maryland General Assembly  
2023 Session

**FISCAL AND POLICY NOTE**  
**Third Reader**

Senate Bill 626

(Senators Lam and Salling)

Executive Nominations

Health and Government Operations

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**Health Services Cost Review Commission - Members - Appointment**

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This bill requires that the members of the Health Services Cost Review Commission (HSCRC) be appointed with the advice and consent of the Senate.

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**Fiscal Summary**

**State Effect:** None. The change is procedural in nature and does not directly affect governmental finances.

**Local Effect:** None.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** HSCRC is an independent commission within the Maryland Department of Health established to contain hospital costs, maintain fairness in hospital payment, provide access to hospital care, and disclose information on the operation of hospitals in the State. HSCRC is responsible for implementing the Total Cost of Care Model, the successor to the Maryland All-Payer Model Contract, under which it regulates hospital population-based revenues (commonly referred to as global budgets).

HSCRC consists of seven members appointed by the Governor. When appointing a member, the Governor must consider and make appointments that would promote the racial, gender, and geographic diversity of the commission. Four members must be individuals who do not have any connections with the management of policy of any health care facility. A member's term is four years, and terms are staggered. At the end of a term,

members continue to serve until a qualified successor is appointed. A member who serves two consecutive full four-year terms may not be reappointed for four years after completion of those terms.

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### **Additional Information**

**Prior Introductions:** Similar legislation has not been introduced within the last three years.

**Designated Cross File:** None.

**Information Source(s):** Maryland Department of Health; Department of Legislative Services

**Fiscal Note History:** First Reader - March 10, 2023  
rh/jc Third Reader - March 20, 2023

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